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CONTENTS

OUTLOOK FOR AGRICULTURAL PRICES AND INCOME IN 1951

The current strong demand for most farm products is expected to continue through the remainder of 1951 and well into 1952. Unless yields are materially below average, agricultural production for sale and for farm home consumption, will remain high and may reach a new record this year. Consequently, civilian per capita consumption of food this year probably will be up from last year despite larger military requirements, With larger supplies in prospect and with price ceilings established for some farm products, prices received by farmers for the full year 1951 may average fairly close to the current level which is about one-fifth higher than the 1950 average.

Cash receipts from farm marketings this year may total about one-fourth higher than in 1950. Farm production costs have also risen sharply to a record high. Realized net income of farm operators in 1951 may equal or slightly exceed the previous peak year of 1947. However, with nonagricultural prices and incomes also substantially higher, the purchasing power of farm income will not equal that of the earlier year nor will agriculture's share of the National income this year be as large.

The outlook for a strong demand for food and other farm products stems from the prospect that the forces which have contributed to the sharp expansion in output, income and prices generally since the Korean outbreak in mid-1950 will continue to operate in the year ahead. These forces include the growing impact of the national defense program, increasing demand on the part of business for new plant and equipment, and a substantially higher level of expenditures by consumers.

ECONOMIC FACTORS AFFECTING AGRICULTURE

Item	Unit or base period	1950 Year	1950 Mar.	1950 Dec.	1951 Jan.	1951 Feb.	1951 Mar.
Industrial production 1/							
Total	1935-39=100	200	187	218	221	221	222
All manufactures	do.	209	194	229	231	232	234
Durable goods	do.	237	211	268	268	271	276
Nondurable goods	do.	187	181	197	201	200	200
Minerals	do.	148	144	157	164	158	158
Construction activity 1/							
Contracts, total	1935-39=100	514	479	578	580	563	526
Contracts, residential	do.	748	681	728	765	762	730
Wholesale prices 2/							
All commodities	1926=100	162	153	175	180	184	184
All commodities except farm and food	do.	153	146	167	170	172	172
Farm products	do.	170	159	187	194	203	204
Food	do.	166	156	179	182	188	187
Prices received and paid by farmers 3/							
Prices received, all products	1910-14=100	256	237	286	300	313	311
Prices paid, interest, taxes and wage rates	do.	255	249	265	272	276	280
Parity ratio	do.	100	95	108	110	113	111
Consumers' price 2/ 4/							
Total	1935-39=100	172	168	179	182	184	184
Food	do.	204	197	216	222	226	226
Nonfood	do.	152	150	157	158	160	161
Income							
Nonagricultural payments 5/	Bil. dol.	205.6	203.7	221.9	220.9	222.1	
Income of industrial workers 3/	1935-39=100	r 369	337	416	415	418	
Production worker pay rolls 2/	do.	396	355	453	451	457	
Weekly earnings of factory workers 2/							
All manufacturing	Dollars	59.23	56.53	63.84	63.67	63.76	64.36
Durable goods	do.	63.19	59.74	68.24	67.52	68.10	68.80
Nondurable goods	do.	54.66	53.04	58.44	58.76	58.32	58.47
Employment							
Total civilian 6/	Millions	60.0	57.6	60.3	59.0	58.9	60.2
Nonagricultural 6/	do.	52.4	50.9	54.1	53.0	53.0	53.8
Agricultural 6/	do.	7.5	6.7	6.2	6.0	5.9	6.4
Government finance (Federal) 7/							
Income, cash operating	Mil. dol.	3,538	5,162	4,488	4,696	4,877	
Outgo, cash operating	do.	3,497	4,045	4,004	3,438	3,522	
Net cash operating income or outgo	do.	+ 40	+1,116	+ 485	+1,259	+1,356	

Annual data for the years 1929-49 appear on page 32 of the April 1951 issue of The Demand and Price Situation. Sources: 1/ Federal Reserve Board, construction activity converted to 1935-39 base. 2/ U. S. Department of Labor, Bureau of Labor Statistics. 3/ U. S. Department of Agriculture, Bureau of Agricultural Economics, to convert prices received and prices paid interest, taxes and wage rates to the 1935-39 base, multiply by .93110 and .79872 respectively. 4/ Consumers' price index for moderate-income families in large cities. 5/ U. S. Department of Commerce revised figures, seasonally adjusted at annual rates. 6/ U. S. Department of Commerce, Bureau of the Census. 7/ U. S. Department of Treasury. Data for 1950 are on average monthly basis.
r = revised.

Expenditures for the National defense and related programs have more than doubled since the outbreak of the Korean conflict. In the second quarter of 1950, defense expenditures were at an annual rate of 12.4 billion dollars and accounted for less than 5 percent of total National output of goods and services. In the first quarter of 1951, these expenditures had risen to an annual rate of 25.5 billion dollars, representing 8 percent of total output.

Under the present program, it is expected that defense outlays will almost double again by the end of 1951 and at that time will account for approximately 15 percent of the Nation's output. Moreover, the present program calls for defense expenditures to reach a maximum rate of about one-fifth of the Nation's output sometime in 1952. During the height of World War II, about 45 percent of the economy's output was involved in war activities.

Business expenditures for new plant and equipment have also increased rapidly since mid-1950. Planned business capital outlays in 1951 total almost 24 billion dollars compared with actual expenditures of 18.6 billion last year, an increase of almost 30 percent. The largest increases over 1950 are developing in industries such as steel, nonferrous metals, aircraft and railroad equipment, which are involved in defense activities. Although higher prices account for part of the anticipated rise in capital outlays over 1950, an increase of 20 percent in physical volume is indicated. In view of higher farm income prospects, it is likely that farm expenditures for buildings and equipment will also be greater than in 1950 provided that materials and machinery continue to be available.

Finally, consumers have increased their expenditures about 10 percent above the pre-Korean level. This increase reflects expanding incomes and anticipatory buying resulting from fears of higher prices and shortages of some consumer goods. Expenditures were sharply increased for automobiles and other durable goods. However, the proportion of consumer income spent for food continued at about the same level as in the first half of 1950.

Although the physical output of the economy has increased about 7 percent since mid-1950, the impact of the increased demand for most goods has been reflected in a rapid price rise. Compared with the immediate pre-Korean level, wholesale prices of commodities have risen an average of about 16 percent while retail prices have advanced about 10 percent. In recent months, prices have been fairly stable as a result of the establishment of price ceilings for many products, slackening of consumer buying and business purchases for inventory, and the continued availability of most civilian goods.

This situation, however, is likely to be temporary. The flow of income to individuals has expanded appreciably since before Korea primarily as a result of increasing employment, higher wage rates and a lengthening of the work week at overtime pay. Personal income, before taxes, rose one-fifth from the second quarter of 1950 to the first quarter of 1951. Disposable income (after taxes) increased 10 percent in the same period. Although wage stabilization policies and the increased income tax program proposed by the President would tend to retard the future expansion in con-

sumer income available for spending, some further increase will occur because of greater employment and a further increase in average hours worked per week. Moreover, the existence of large liquid assets in the hands of individuals is a potential source of inflationary pressure, particularly if international tensions should tighten.

As the defense program develops and essential industrial capacity is enlarged, some civilian supplies, particularly durable goods and housing, are likely to be reduced from current levels by material shortages and credit restrictions. Consequently, inflationary pressures may be reinforced later in the year. A sharp reduction in civilian supplies of durables may further strengthen the demand for food and other nondurables as during World War II and immediate postwar years.

Foreign demand for United States farm products is also stronger this year than last. The value of United States agricultural exports in the first two months of 1951 was 20 percent higher than in the period in 1950. Foreign holdings of gold and dollar assets on January 1, 1951 were about a fourth larger than a year previous. In addition, the value of United States imports has increased substantially, principally reflecting the very high level of economic activity in this country, and the sharp rise in prices of imported raw materials. Thus, dollar exchange is available to foreign countries to finance larger takings from the United States even though E.C.A. and related funds, which a year ago financed two-thirds of United States agricultural exports, have been sharply reduced. From 1947 to 1950, the value of U. S. food exports to Western European countries decreased as foreign agriculture recovered from the effects of World War II. More recently, the improved financial situation abroad and reduced supplies available for export from other countries have strengthened the demand for United States wheat. However, foreign demand for dairy products and other foods may be less this year than last. Demand for United States cotton and tobacco continues at a high level but exports of cotton are limited by controls to insure that domestic needs are met. However, if cotton production this year attains the production guide level of 16 million bales, as recommended by the Secretary, exports of cotton in 1951-52 could be increased over 1950-51.

If cotton production equals or exceeds the production guide and weather conditions are average, total agricultural production for sale and for farm home consumption will reach a new high. Although any gain in total crop output would be primarily due to cotton, production of livestock and livestock products as a group is expected to increase 2 to 3 percent, primarily reflecting increased marketings of meat animals.

With a large agricultural output in prospect, if the weather is normal, average prices received by farmers may remain fairly close to present levels through the summer. For some crops such as wheat, price supports are likely to be important price factors in peak marketing months. Loan rates this year will be higher than for last year's crops because of the continued advance in the parity index. However, in the fall months, seasonally smaller marketings of some livestock and livestock products coupled with the stronger demand for food in prospect may bring some further price advances. Price ceilings, however, may limit the advance at that time. As of April 15, prices of many farm products were below the legal minimum prices for ceiling purposes established under the Defense Production Act. The important exception were wool, cotton, cottonseed, soybeans, and

the meat animals, except hogs. Specific price ceilings have been established for cotton, soybeans and beef cattle.

Although cash receipts from farm marketings may be a fourth larger in 1951 than last year, some major commodity groups such as tobacco and fruits may show little gain, if any. If cotton production should attain the production guide, receipts from cotton would be up substantially due to larger marketings. Substantial increases in receipts from meat animals, eggs and milk are also in prospect in view of higher prices this year.

Farm production costs in 1951 will be 10-15 percent higher than last year. Prices paid for commodities used in production on April 15 averaged 12 percent higher than the average for the full year 1950. Farm wage rates on April 1, seasonally adjusted, averaged 11 percent higher than the 1950 level. In addition, interest charges, taxes on farm property and depreciation charges are substantially higher this year. The parity ratio—ratio of prices received by farmers to prices paid for commodities used in living and production, interest, taxes and farm wage rates--declined from 113 (1910-14=100) in mid-February to 109 in mid-April. Some further decline in this ratio is in prospect during the summer because of the prospects for increasing cost rates to farmers and fairly stable prices received by farmers. In 1950, the ratio averaged 100.

Commodity Highlights

Meat production during the rest of 1951 is expected to exceed last year by a greater margin than in the first quarter. Average prices that packers may pay for cattle will be reduced from the April level to approximately the January level when recently announced controls go into effect the latter part of May. Through the remainder of 1951, demand for dairy products is expected to grow stronger. In the second half of the year, dairy product prices probably will advance more than seasonally unless curbed by price ceilings. Starting about August and continuing for some months thereafter, egg supplies available for consumption may fall short of last year. Production of fats and oils in the year beginning October 1951 (including the oil equivalent of oilseed exports) is likely to total larger than in the previous year. Total production of feed grains in 1951, based on prospective plantings and average yields, may average 6 percent smaller than in 1950. These early indications and expected higher feed grain requirements point to nearly 10 percent less feed concentrates per animal unit next year than this. However, the Department has taken specific steps to increase feed grain production this year beyond that indicated. If the billion bushel 1951 wheat crop materializes, prices are expected to fall below the loan rate immediately after harvest but will probably average close to it for the 1951-52 marketing year as a whole. Grower prices for most 1951-crop deciduous fruits in the second half of 1951 may average somewhat higher than in 1950. Although prices for fresh vegetables will decline during late spring and early summer, as is usual for that season of the year, they are expected to average somewhat higher than the relatively low prices of a year earlier. Average prices received for new potatoes from commercial early producing States in May and June are likely to continue generally higher than a year earlier. Cotton consumption this season through March was running about one-fifth above the same period a year ago. Because of the much greater rise in wool prices than in prices of synthetic materials, the competitive position of wool relative to synthetic fibers is now and is expected to continue less favorable than a year earlier. The demand for 1951 flue-cured and Burley tobacco crops is expected to be strong. Support prices for all types will be higher than last year because of the rise in the parity index.

GROSS NATIONAL PRODUCT, REVIEW OF 1950 AND FIRST QUARTER OF 1951

Gross national product, which measures the total value of the Nation's output at current market prices, rose 20 percent from an annual rate of 263 billion dollars in the first quarter of 1950 to 316 billion dollars in the first quarter of 1951. About half of the rise resulted from increased prices. From the fourth quarter of 1950 to the first quarter of 1951 the gross national product rose 5 percent, with higher prices accounting for about two-thirds of the increase.

During the first half of 1950, a gradual recovery from the mild recession of 1949 was underway, reflecting a sustained level of consumer buying bolstered by Government insurance refunds to veterans, an upturn in business buying, and a rise in residential construction. In June, this expansion was reinforced by developments arising from the conflict in Korea, which resulted in severe inflationary pressures after mid-year. In anticipation of higher prices and shortages of some goods, both consumers and business increased their buying, and production of virtually all types of goods increased markedly. Despite a rise in output, however, the pressure of demand forced prices sharply upward from late June to mid-February. They then leveled off as price controls became effective. In late April, the BLS index of wholesale prices was 16.6 percent above the level immediately preceding the Korean outbreak.

Developments in the major sectors of the economy are indicated by a review of the major components of the gross national product.

Table 1.- Gross national product, first quarter 1950 to first quarter 1951
Seasonally adjusted annual rates
(Billions of dollars)

Component	1950 1st Quarter	1950 2nd Quarter	1950 3rd Quarter	1950 4th Quarter	1951 1th 1/ Quarter
Gross national product	263.3	271.6	283.9	300.3	316.0
Personal consumption expenditures	182.6	185.8	198.9	195.8	206.0
Durable goods	26.4	26.5	34.0	30.0	
Nondurable goods	97.9	99.9	104.5	104.3	
Services	58.3	59.5	60.4	61.5	
Gross private domestic investment	41.8	47.7	47.8	60.2	60.5
New construction	20.0	21.5	23.0	22.9	
Producers' durable equipment	19.5	21.8	26.3	26.1	
Change in business inventories	2.3	4.4	-1.5	11.2	
Net foreign investment	- 1.7	-1.7	-3.3	-3.4	-4.0
Government purchases of goods and services	40.5	39.9	30.3	37.6	53.5
Federal, net	21.8	21.1	20.9	26.9	32.7
State and local	18.7	18.8	19.5	20.8	20.8

U. S. Department of Commerce
Details will not necessarily add to totals because of rounding.
1/ Preliminary—subgroup details not available.

Consumer expenditures. Consumer expenditures were stable during most of 1949. During the first half of 1950 they rose moderately, stimulated in part by the disbursement to veterans of 2-3/4 billion dollars in service life insurance dividends. During the second half of 1950 and first quarter of 1951 consumer buying increased sharply, rising to an annual rate of 206 billion dollars in the first quarter of this year, 12 percent above the first half of 1950. Although rising disposable income contributed greatly to the rise of consumer buying during the nine months ending in March, the rate of expenditures was substantially augmented by two distinct buying waves stemming from anticipations of shortages and price advances. One of these occurred during the two months immediately following Korea. Another occurred soon after the Chinese intervention, and carried consumer expenditures for the first quarter of 1951 well above their usual relation to disposable income.

The expansion in consumer buying largely centered in durable goods, expenditures on which rose from an annual rate of 26 billion dollars during the first half of 1950 to 30 billion in the last quarter of 1950, an increase of 15 percent. A further sharp increase also occurred during the first quarter of 1951. Much of the rise from the first half of 1950 represented an advance in prices, although volume was also substantially higher. Demand for automobiles during most of 1950 was exceptionally strong, while the housing boom tended to accentuate the demand for furniture and household equipment.

Expenditures for nondurable goods by consumers advanced less than those for durables, although they rose 5-1/2 percent from an annual rate of almost 99 billion dollars during the first half of 1950 to 104 billion during the last quarter of 1950. During the first quarter of 1951 expenditures on nondurable goods rose more sharply, reflecting for the most part a substantial rise in prices. Consumer expenditures on services rose to an annual rate of 61.5 billion in the last quarter of 1950 and continued to rise at about the same rate in the first quarter of 1951. These increases reflected advancing costs of housing and household operation.

Gross private domestic investment. The most expansive element in the economy during 1950 was gross private domestic investment. This component of the gross national product increased 44 percent from an annual rate of 42 billion dollars in the first quarter to 60 billion in the fourth quarter. During the first quarter of 1951, it leveled off at about the record rate reached at the end of 1950. By far the largest single contribution to the rise in investment was the acceleration in the rate of inventory accumulation from an annual rate of 2.3 billion during the first three months of 1950 to 11.2 billion during the fourth quarter of that year. Although inventory accumulation continued upward during most of the year, it was briefly interrupted during the third quarter, when the heavy wave of consumer and business buying resulted in a 1.5 billion dollar (annual rate) liquidation in stocks.

Private construction activity from early 1950 to March 1951 moved steadily upward, reflecting for the most part a continuation of the expansion in residential construction which was already underway in late 1949. Non-residential construction climbed slowly upward during most of

the year, then advanced rather markedly during late 1950 and the first quarter of 1951 as industrial and commercial building expanded under the impetus of the defense effort.

Purchases of producers' durable equipment rose from an annual rate of 19.5 billion dollars in the first quarter to an annual rate of 26 billion during the last quarter of 1950 and to an even higher rate during the first quarter of 1951.

Government purchases of goods and services. Total expenditures on goods and services by all levels of Government declined through the first half of 1950. Immediately after Korea, however, the planned military program had pronounced indirect effects on general business conditions even though actual expenditures for defense had not begun to rise appreciably. Moreover, even in those instances in which production for defense was already underway, it was not immediately reflected in Government expenditures, since work on Government contracts first appears as increases in private investment and shows up in Government purchases only after deliveries are made. In the fourth quarter of 1950, however, the impact of the defense program began to reflect itself in this component of the gross national product. Federal Government expenditures on goods and services rose to an annual rate of 27.1 billion dollars during the final three months of 1950, 6 billion dollars above the third quarter rate. Most of this rise reflected rising expenditures for defense. In the first quarter of 1951, outlays for defense continued upward, carrying total Federal Government expenditures substantially above those of the fourth quarter of 1950. During the first quarter of 1951 Federal Government purchases of goods and services for defense were at an annual rate of about 25.5 billion dollars, or double the rate during the first half of 1950.

Net foreign investment. For the third consecutive year since the postwar peak in 1947, net foreign investment declined. During the first half of 1950, imports of goods and services exceeded United States exports (other than those financed directly or indirectly by Government and private grants) by 1.7 billion dollars (seasonally adjusted annual rate). This deficit increased to an annual rate of 3.4 billion dollars in the last half of 1950 and to 4.0 billion for the first quarter of 1951. This deficit reflects for the most part increasing imports into the United States and substantially higher prices of such raw materials as rubber, wool, tin, wood pulp and burlap, purchases of which were stepped up sharply for defense and stockpiling purposes following Korea.

Foreign supply of dollars and gold in 1950 and 1951

The foreign supply of gold and dollars in 1951 will be larger than in 1950. Foreign countries will start the year with holdings 26 percent higher than a year earlier. Foreign receipts of dollars during the year will also likely be larger than during 1950. Part of the increase in the supply of dollars will be used by foreign countries to increase the value of their purchases of goods and services in the United States but part will be used to continue their accumulation of dollar reserves.

Table 2.- Financing of United States exports of goods and services in specified periods

(Billions of dollars)

Period	U. S. exports of goods and services	Means of financing			
		U. S. imports of goods and services	Sale of gold and short-and long-term dollar assets by foreign countries (Net)	U. S. Government foreign grants and loans (Net)	Other sources and balancing item 1/ (Net)
	(1)	(2)	(3)	(4)	(5)
1935-39 annual average	4.0	3.4	1.1	2/ (-) 0.1	(-) 0.4
1946	14.7	7.0	1.9	5.0	0.8
1947	19.8	8.3	4.5	5.8	1.2
1948	17.1	10.4	0.8	5.1	0.8
1949					
1st qtr. (ann. rate)	17.3	10.2	0	6.7	0.4
2nd qtr. (ann. rate)	17.8	9.7	1.5	6.6	0
3rd qtr. (ann. rate)	14.7	9.4	0.3	5.9	(-) 0.9
4th qtr. (ann. rate)	14.0	9.6	(-) 1.8	4.6	1.6
Total	16.0	9.7	0	5.9	0.4
1950					
1st qtr. (ann. rate)	13.1	10.3	(-) 1.8	4.4	0.2
2nd qtr. (ann. rate)	14.1	10.8	(-) 2.7	4.7	1.3
3rd qtr. (ann. rate)	14.0	13.6	(-) 6.3	3.6	3.1
4th qtr. (ann. rate)	16.3	13.9	(-) 3.7	4.5	1.6
Total	14.4	12.1	(-) 3.6	3/ 4.3	1.6

1/ Includes loans of U. S. dollars by the International Bank and by the International Monetary Fund. In 1949 these loans totaled 137 million dollars. In 1950 they totaled 17 million dollars. Private remittances and investments abroad are also included except in the 1935-39 average. 2/ Includes private loans and remittances to foreigners which in other periods are in column 5. 3/ Includes 2.8 in ERP grants, 0.5 in grants for Government relief in occupied areas and 0.5 for the National Defense Assistance program.

At the beginning of 1950 foreign countries (excluding gold reserves but including dollar balances of USSR) held over 15 billion dollars in gold and dollar assets. During 1950 foreign countries received 18 billion dollars from the United States (table 2, columns (2), (4) and (5)). In addition, nearly a half billion dollars worth of gold was mined abroad during the year and added to foreign gold holdings. Thus, the supply of gold and dollars available to foreign countries in 1950 was more than 33 billion dollars. During 1950 foreign countries used more than 14 billion dollars to pay for United States exports of goods and services. Therefore, gold and dollar assets at the end of the year totaled over 19.0 billion

dollars, or between 3.5 and 4 billion more than at the beginning. (Table 2, Col. 3). Thus at the end of 1950 foreign holdings of gold and dollars had grown to over 19 billion dollars, an increase during the year of more than one-fourth. Nearly two-third of the 3.6 billion dollar increase was concentrated in the United Kingdom and Canada.

Dollars earned by foreigners from United States imports of goods and services in 1951 will likely be larger than the 1950 level of 12.1 billion, which was a postwar high. Much of the expected increase in the value of imports will be due to an increase in the average price of imports. The quantity of United States imports may show only a small increase largely because foreign defense production will compete with production for export to the United States.

Total United States Government foreign grants and loans will also be larger in 1951 than in 1950 because of the expected increase in the use of funds appropriated for the Military Defense Assistance Program. Other United States Government foreign grants and loans will be smaller in 1951 than in 1950 due mainly to reduced appropriations for E.C.A. and for "Government and Relief in Occupied Areas".

The increased foreign supply of dollars in 1951 will be associated with an increased foreign demand for United States goods, principally those for foreign rearmament. The principal factor limiting the increase in United States exports is that the United States supplies of some products probably will be inadequate to fill both foreign and domestic needs. There are now export controls on such commodities as cotton, tin plate, sulphur, and non-ferrous metals. Another limiting factor arises from the fact that increased gold and dollar reserves are concentrated in countries which apparently to date have valued these dollars more highly as reserves than as immediate claims for more goods and services from the United States.

AGRICULTURAL EXPORTS

In 1950, the total value of agricultural exports was 2.9 billion dollars, more than a fourth below the postwar peak in 1947 and a fifth less than in 1949. In 1951 the value is expected to be higher than in 1950 due both to an increase in quantity and to a larger increase in price. In the first two months of 1951, the value of agricultural exports was 20 percent greater than in the same period in 1950.

The anticipated increase in the value of agricultural exports in 1951 will be associated with a decrease in Government financing of agricultural exports. In the year beginning July 1, 1949, about two-thirds of the total value of agricultural exports were paid by foreign countries with dollars supplied by the United States Government through the two major foreign aid programs, E.C.A. and "Government and Relief in Occupied Areas". Although appropriations for these two programs for the fiscal year 1950-51 were cut 40 percent, an increase in the value of agricultural exports is still likely because of the larger supply of gold and dollars in foreign hands in 1951.

The improved foreign supply of dollar exchange in importing countries may result in larger exports of United States wheat in 1951-52 than in the previous year. However, the increase in wheat exports is not expected to be sufficient to offset a decline in the quantity of exports of feed grains, dairy products, dried fruits and certain other foods so that the total quantity of food exports probably will be lower in 1951-52 than in 1950-51.

United States exports of unmanufactured tobacco in 1951-52 are expected to be moderately larger than in 1950-51. The improvement in gold and dollar reserves, the relatively low stocks of United States tobacco abroad, the expected larger production in the United States this year and the short crop in Southern Rhodesia are major factors which will tend to favor larger exports of United States tobacco in the year ahead.

The 1950-51 United States cotton crop was short and controls have been established on exports. However, if cotton production in the 1951-52 crop year attains the production quota of 16 million bales, some increase in exports over the current crop year is likely.

PRICE TRENDS IN 1950 AND EARLY 1951

Price pressures have eased in recent months as consumer buying and accumulation of business inventories have slackened. Wholesale prices have stabilized at a level averaging about 16 percent higher than before the Korean outbreak and only slightly above the level preceding the General Ceiling Price Regulation. Price pressures may be reinforced later in the year when consumer incomes have expanded further and reduced supplies of some products may become evident.

Price developments since early 1950 have gone through three distinct phases: the first extending from early January through late June, when hostilities began in Korea; the second running from the end of June through late January, when the General Ceiling Price Regulation became effective; and finally, the current period, which follows the effective date of the general price freeze.

Wholesale prices

During the first phase, wholesale price movements were moderately upward, reflecting the recovery in business activity from the mild recession in 1949. From the week ending January 3, 1950, to the week ending June 27, 1950, the BLS weekly wholesale price index increased 4.2 percent with average wholesale prices of farm products scoring the largest gain. Wholesale prices of foods and industrial commodities also advanced, though more moderately than prices of farm commodities. Among the industrial groups, prices of building materials advanced the most, while average wholesale prices of textiles and chemicals declined.

Table 3.- Group indexes of wholesale prices, week ended April 24, 1951 with comparisons

(1926=100)

Group	Week ended Apr. 24, 1951	Week ended Jan. 23, 1951	Week ended June 27, 1950	Week ended Jan. 3, 1950	Percentage change week ended: April 24, 1951 from Jan. 23, 1951	Percentage change week ended: Jan. 23, 1951 from June 27, 1950	Percentage change week ended: June 27, 1950 from Jan. 3, 1950
All commodities	183.6	180.0	157.4	151.1	+ 2.0	+ 14.4	+ 4.2
Farm products	202.4	196.4	165.4	154.6	+ 3.1	+ 18.7	+ 7.0
Foods	188.0	183.9	162.4	154.3	+ 2.2	+ 13.2	+ 5.2
All other than farm and food	171.8	169.3	149.2	145.6	+ 1.5	+ 13.5	+ 2.5
Textile products	184.1	180.7	137.3	138.6	+ 1.9	+ 31.6	- .9
Fuel and lighting products	138.3	136.2	132.8	131.5	+ 1.5	+ 2.6	+ 1.0
Metals and products	189.6	188.4	171.9	167.7	+ .6	+ 9.6	+ 2.5
Building materials	227.5	225.4	203.7	191.2	+ .9	+ 10.7	+ 6.5
Chemicals and allied products	144.0	144.9	114.5	115.2	- .6	+ 26.6	- .6

Bureau of Labor Statistics

The outbreak in Korea, creating widespread fears of impending shortages and price advances, generated a wave of advance buying by both consumers and business. This was soon reflected in a sharp rise in the average rate of increase in wholesale prices from .7 percent per month during the first six months of 1950 to about 2.7 percent during the third quarter. Prices of internationally traded commodities such as rubber, tin and wool were the first to react to the new international developments, rising sharply after June 24, 1950. These were soon followed by rather general advances affecting all major commodity groups. By January 23, the weekly index of wholesale prices had risen 14.4 percent over the level immediately preceding Korea. Wholesale prices of textile products, which had declined slightly during the first 6 months of the year, registered the sharpest advance, almost 32 percent. Average wholesale prices of chemicals and chemical products and farm products also rose sharply, while more moderate increases were registered by the other major commodity groups.

Since the imposition of the General Ceiling Price Regulation, the general level of wholesale prices has steadied. The weekly index of wholesale prices during the week ending April 24, 1951 was only 2.0 percent above the level of 13 weeks earlier, with much of the rise occurring during the first three weeks following the general price freeze.

Prices received

During the six months immediately preceding Korea, average prices of many farm commodities had been recovering slowly from their 1949 levels as demand strengthened with the pickup in general economic activity. Average prices of some farm products, however, had continued downward. Thus, while average prices received for all farm products combined in mid-June had risen 5 percent above mid-January, average prices of fruit, truck crops and "other vegetables" had registered declines of 13.7 and 4 percent, respectively. On the other hand, average prices of meat animals, wool, cotton and oilseeds responded rather strongly to the pickup in demand and had scored gains of 20, 19, 13 and 12 percent, respectively.

A wave of speculative activity in the farm commodity markets following the outbreak of hostilities in Korea plus an already strengthening demand for many farm products was soon reflected in a sharp upturn in average prices received for many farm products. Particularly affected were the internationally traded commodities such as cotton, wool, and oilseeds. Average prices received for all farm products combined rose 7 percent during the month ending July 15, 1950. As economic activity expanded in response to the changed international picture, demand for farm products generally strengthened further. Prices of food grains, of which large reserve stocks existed rose only slightly in response to the changed demand conditions, while continued short supplies of raw cotton and wool were reflected in further substantial increases in average prices received by farmers. Reserve stocks of some dairy products, feed grains, and oilseeds, and seasonally large marketings of most meat animals tended to moderate increases in prices received for these commodities.

Table 4.- Group indexes of prices received by farmers, April 15, 1951 with comparisons

(1910-14=100)

Group	Apr. 15, 1951	Mar. 15, 1951	June 15, 1950	Jan. 15, 1950	Percentage change: Apr. 15, 1951 from Mar. 15, 1951	Percentage change: Apr. 15, 1951 from June 15, 1950	Percentage change: June 15, 1950 from Jan. 15, 1950
Food grains	247	245	218	218	+ 1	+ 13	0
Feed grains and hay	222	221	190	170	1/	+ 17	+ 12
Cotton	363	359	251	222	+ 1	+ 45	+ 13
Tobacco	438	437	388	382	1/	+ 13	+ 2
Oil-bearing crops	385	386	254	228	2/	+ 52	+ 11
Fruit 3/	210	213	186	215	- 1	+ 13	- 13
Truck crops 3/	190	211	209	225	- 10	- 9	- 7
Other vegetables	178	174	186	193	+ 2	- 4	- 4
All crops	275	276	225	219	2/	+ 22	+ 3
Meat animals	428	428	342	286	0	+ 25	+ 20
Dairy products 3/	285	282	248	243	+ 1	+ 15	+ 2
Poultry and eggs 3/	234	237	168	156	- 1	+ 39	+ 8
Wool	635	669	316	265	- 5	+ 101	+ 19
Livestock and products	340	343	268	249	- 1	+ 27	+ 8
Crops and livestock and products	309	311	247	235	- 1	+ 25	+ 5

1/ Less than 0.5 percent increase.
2/ Less than 0.5 percent decrease.
3/ Seasonally adjusted.

Reflecting these developments, average prices received by farmers for all commodities combined in mid-April 1951 were up 25 percent from mid-June 1950. Prices received for wool averaged 101 percent higher in mid-April than in mid-June 1950; oilseeds, 52 percent higher; cotton, 45 percent higher; and poultry and eggs, 39 percent higher after seasonal adjustment. In mid-March 1951, prices received by farmers declined slightly from the peak reached in the previous month as moderate drops in prices received for food grains, dairy products, and hogs and a sharp decline for many truck crops more than offset increases in poultry and eggs, cotton and cottonseed, wool and meat animals other than hogs. The downtrend in the over-all level of prices received by farmers continued into April as declines were registered in prices received for truck crops and fruit, after seasonal adjustment, and in prices of oilseeds, meat animals, and poultry and eggs.

Prices paid by farmers, including interest, taxes and wage rates

Although prices received by farmers in mid-April 1951 averaged substantially above April a year earlier, farm living and production costs were also considerably higher. The BAE index of prices paid by farmers, including interest, taxes and wage rates in mid-April was 283 (1910-14=100), 13 percent above April 1950 and 11 percent higher than the average for the entire year 1950. Prices paid for items used in family living in mid-April 1951 were 13 percent higher than in April a year ago and 9 percent above the 1950 average, while those paid for commodities used for production were up 15 percent from April 1950 and 12 percent from the 1950 average. The BAE index of farm wage rates, seasonally adjusted, in April was 13 percent above April 1950 and 11 percent above the average for the whole year 1950.

Reflecting the greater rise in prices received than in prices paid by farmers, the parity ratio (index of prices received divided by the index of prices paid, including interest, taxes and wage rates) in mid-April 1951, at 109 was 13 points above April 1950 and 9 points above the 1950 average.

Urban consumer prices

Prices paid by urban consumers of moderate incomes increased only slightly during the first six months of 1950, largely reflecting higher food prices. The BLS index of consumer prices in June 1950 was 170.2 (1935-39=100), compared with 168.2 in January 1950. After June, however, general advances registered by both food and nonfood items carried the index to a new record high in March 1951 when it was nearly 10 percent above January 1950. From January 1950 to March 1951, food prices advanced 15 percent, clothing, 10 percent; housefurnishings, 14 percent; and items in the miscellaneous group, 6 percent.

Current developments in output, employment and income

Total industrial output continued to rise in March as production of durables increased. The Federal Reserve Board's index of industrial production, seasonally adjusted, was 222 (1935-39=100) in March, slightly above February and 19 percent above March a year earlier.

Production of durable manufactures in March was up almost 2 percent from February and 31 percent from March 1950. Production of steel ingots and castings was at a record rate during the month, exceeding 9 million tons for the first time in the industry's history. The daily average rate of motor vehicle output rose 6 percent to about 33,600 units.

Nondurable goods production remained the same in March, at a level of 200 (1935-39=100). The March level of output was 10 percent above a year ago.

Production of minerals was the same in March as in February. The index, at 158, in March was 10 percent above March last year.

The total value of new construction in March was up 10 percent from February to an estimated 2.1 billion dollars. It was 21 percent higher than in March 1951. For the entire first quarter of 1951, outlays on new construction totaled 6.1 billion dollars, 21 percent above the same quarter in 1950 and the largest for any first quarter on record.

Total civilian employment in March was estimated at 60.2 million persons, 1.3 million above February and 2.6 million above March a year earlier. Nonagricultural employment rose to 53.8 million, 800,000 above February, 2.9 million above March 1950 and only 400,000 below the all time peak of last August. The rise in nonfarm employment from February reflected seasonal gains in trade and construction and a substantial increase in factory employment.

The civilian labor force in March totaled 62.3 million persons, an increase of 1 million over February and 600,000 from March a year ago. Reflecting the greater rise in employment than in the civilian labor force, the number of unemployed dropped from 2.4 million in February to 2.1 million in March. In March 1950, about 4.1 million persons were unemployed.

Total personal income in February was at a seasonally adjusted annual rate of 241.0 billion dollars, virtually the same as in the previous month and 12 percent above a year ago.

Daily average sales at department stores were down sharply in March, after allowance for seasonal factors and the earlier date of Easter. The Federal Reserve Board's seasonally adjusted index of dollar sales was 290 (1935-39=100) in March, 11 percent below February and 20 percent below the peak level in January. Compared with March a year ago, daily average sales were 6 percent higher.

Total consumer credit outstanding at the end of March was estimated at 19.4 billion dollars, 161 million below February but 3.0 billion above a year ago. Total installment indebtedness dropped 95 million to an estimated 13.0 billion dollars. Noninstallment credit outstanding declined 66 million dollars to an estimated 6.4 billion at the end of March.

FARM INCOME

1951 Outlook

Farmers' net income in 1951 will be considerably more than the 13.0 billion dollars they realized last year. In fact, the dollar increase from 1950 to 1951 is likely to be the largest ever recorded in a single year--probably sufficient to wipe out all of the declines that have occurred during the last three years. If an increase of this size actually takes place, it will raise farmers' net income back to around the level of 17.8 billion dollars of 1947. In contrast, nonfarm personal income, which has set a new record high in every year since 1940, will reach another all-time peak in 1951 at least 25 percent above its 1947 level.

Farm production expenses are rising along with gross farm income; but the percentage increase from 1950 to 1951 is expected to be almost twice as large for gross income as for expenses. Cash receipts from farm marketings, the principal element in farmers' gross income, may be up about one-fourth from the 1950 total of 27.9 billion dollars. If growing conditions are average, the total volume of farm marketings will be larger than last year and may equal the all-time record volume of sales in 1949. But the increase in farmers' cash receipts this year will be due more to generally higher prices of farm products, than to a larger volume. Prices so far in 1951 have been 20 percent higher than the average for all of 1950.

Cash receipts will be up considerably this year for both crops and livestock, with prospects for livestock on the whole somewhat more favorable than for crops. If the production goal is achieved, and if other crop yields are average, the total volume of crop marketings may be 10 percent larger than last year's volume. Total sales of livestock and livestock products are expected to show a smaller increase. However, the increase in average prices for 1951 over 1950 is expected to be generally somewhat larger in the livestock group. With the possible exception of fruits and tobacco, cash receipts are likely to be substantially higher for all of the major commodity groups. For individual commodities, the largest percentage increases may be in cotton, wool, and flaxseed.

In addition to cash receipts from marketings, farmers' gross income includes the value of home-produced food and fuel, the rental value of farm dwellings, and Government payments. All except Government payments are likely to be higher in 1951 than in 1950; and the expected increase in total gross farm income is almost proportionate to that in cash receipts.

The total cost of farm production will probably be from 10 to 15 percent higher in 1951 than in 1950; and practically all items of expenses are contributing to this rise. The bigger cost increases--mostly aroung 10 or 20 percent--are expected in expenditures for purchased feed and livestock, hired labor, motor-vehicle operating costs, rents, and short-term interest charges; and in a few miscellaneous items such as ginning costs. Smaller increases of not more than 10 percent seem likely in the case of taxes, farm-mortgage interest payments, expenditures for fertilizer, and charges for depreciation on farm capital.

Higher costs of production, therefore, will offset part of the expected increase in farmers' gross income for 1951; but the greater part of this increase will probably be reflected in their net income. As a result, farmers' realized net income may be up 30 percent or more from last year's postwar low of 13.0 billion dollars.

In a period of falling demand and generally lower prices, farmers' prices and gross incomes usually decline sooner, faster, and farther than the nonfarm prices which go to make up their costs of production. Consequently, their net incomes are very sharply reduced--as in 1948 and 1949. When demand and prices generally are rising, on the other hand, the process is reversed; and farmers' net incomes may recover rapidly under those conditions--as seems likely in 1951.

Cash receipts, January-April

Cash receipts from farm marketings in the first 4 months of 1951 are estimated at 8.3 billion dollars, or 20 percent more than receipts in the corresponding period last year. Prices of farm products averaged 30 percent higher than prices in the first 4 months of 1950; but this was partly offset by a smaller volume of sales. Prices paid by farmers for commodities used in production during this same period averaged 14 percent higher than a year earlier.

The 4-month total of cash receipts from livestock and livestock products was approximately 5.7 billion dollars, up 30 percent from the same period last year, mainly because of higher average prices. Meat animals, poultry and eggs, and dairy products all shared in this increase. Crop receipts came to about 2.6 billion dollars, much the same as last year, for higher average prices were offset by smaller crop marketings during the early months of 1951.

Cash receipts from April marketings were around 2.0 billion dollars--1.5 billion from livestock and products and 0.5 billion from crops. This total represents a small decline from March, reflecting seasonally smaller marketings and a slight decline in average prices received. It was 25 percent more than a year earlier, however, with the increase a little greater for livestock than for crops. Sizeable gains over April 1950 occurred in most of the major commodity groups.

LIVESTOCK AND MEAT

Meat production during the rest of 1951 is expected to exceed last year by a greater margin than the small gain realized in the first quarter. Considerably more pork, slightly more beef, but less veal, lamb and mutton than last year are in prospect for months ahead. Meat consumption per person for the entire year may be 2 to 3 pounds larger than the 145 pounds in 1950.

Prices of cattle strengthened further but prices of lambs declined in April. Both had risen considerably since the first of the year. April prices probably reflected ceiling prices for beef and lamb. Prices of hogs after rising moderately in January and early February, lost most of their gains later as marketings increased seasonally.

On April 28 the Office of Price Stabilization announced dollars-and-cents ceilings on beef and ceilings on the average prices slaughterers may pay for cattle. The retail beef ceilings will go into effect May 14 at about April prices, with a gradual reduction due to begin August 1. Overall average prices packers may pay for cattle will be reduced to approximately the January level when this control goes into force the latter part of May.

Commercial production of pork in the January-March quarter was about 6 percent larger than in the same quarter of 1950. A somewhat greater increase is in prospect for the spring and much of the summer, because hogs slaughtered in this season come from the 9 percent larger pig crop saved last fall than the previous fall. Also, slaughter weights are expected to be a few pounds heavier than last year.

Pork supplies next fall and winter will reflect the increase in the 1951 spring pig crop. Farmers reported last December that they planned a 6 percent larger spring crop than in 1950.

Beef production thus far in 1951 has been close to last year's production but a small increase over a year earlier is likely for the rest of 1951. Four percent more cattle were reported on feed in the Corn Belt April 1 than a year earlier. Beginning sometime this spring, or early summer, marketings of fed cattle are likely to exceed last year. They will probably reach a peak fairly late and will retain a high level through the last months of the year, as was the case in 1950.

Slaughter of calves and production of veal have been considerably below last year and is expected to be below 1950 in most months of 1951. A high percentage of calves is still being retained for feeding or for adding to breeding herds.

Because more ewe lambs will probably be held this year than last to increase herds, slaughter of sheep and lambs is likely to be smaller during most of 1951 than in 1950.

Drought prevails in much of the Southern Great Plains and Southwest. Livestock there are still in fairly good condition. Because of the drought, movement of cattle to the Osage pastures of Oklahoma and the Blue Stem (Flint Hills) of Kansas was unusually large and early. The Southwestern drought and the cold stormy weather in other areas have retarded development of early spring lambs, which on April 1, were generally in about average condition.

DAIRY PRODUCTS

Demand for dairy products has strengthened considerably in the last six to eight months. Consumption of fluid milk is gradually expanding, despite the fact that retail prices are about 10 percent above a year earlier. Available supplies of most manufactured dairy products so far, have been about as great as a year earlier but their prices also are running around 10 percent higher. Through the remainder of 1951, demand for dairy

products is expected to expand further and some shift in utilization of milk from manufactured dairy products to fluid outlets is likely to continue. In the second half of the year, dairy prices probably will advance more than seasonally unless curbed by price ceilings.

Prices received by farmers for milk at wholesale and for butterfat have declined less than seasonally since December. As a result, these prices, seasonally adjusted, have risen. However, there has been little change in the seasonally adjusted prices as a percent of parity because of increases in the parity index. In April, the price farmers received for milk at wholesale averaged $4.37 per hundredweight, 97 percent of parity compared to $3.60, 88 percent of parity in April 1950. The butterfat price was 68.0 cents per pound, 89 percent of parity, compared to 61.0 cents, 89 percent of parity, a year earlier. Further seasonal declines for milk and butterfat are likely during the flush period but both will move higher later in the year. The milk-feed price ratio has been about average but the butterfat-feed price ratio has been below average. Prices of both milk and butterfat are below average in relation to beef cattle and hogs.

Wholesale prices for manufactured dairy products, except cheese and nonfat dry milk solids, have changed little in recent weeks. Nonfat dry milk solids advanced during the latter part of March due to continued reduced output. Also, the newly announced purchase prices, effective April 1, are higher than for 1950. Butter and cheese prices were both close to Government purchase levels of 66 cents and 36 cents per pound, respectively, at any point in the U. S. Cheese prices declined after mid-April and on April 20 were quoted at 36.6 cents per pound (American Twins, Chicago).

Milk was produced at an annual rate of 120.8 billion pounds in the first quarter of 1951, about 2 percent below the rate for January-March last year but slightly greater than in the closing months of 1950. The decline from a year ago was due to lower production per cow. Weather was relatively unfavorable for milk production during most of last winter in contrast to the favorable conditions a year earlier. Recently, concentrates have been fed milk cows at about the record rate of a year earlier. If the weather is at least average, pastures will improve and milk output in coming months probably will be nearer that of a year earlier than it was during the first quarter. Milk production is now increasing seasonally. It will reach the annual peak in early June and then will decline until late fall.

Although production of milk has been smaller than a year earlier, in recent months, fluid milksheds generally have recorded larger daily average sales of whole milk. For the year, fluid milk and cream consumption is expected to average about 395 pounds per person compared with 385 in 1950.

With consumption of milk in fluid form continuing at a high level and production down slightly, the quantity of milk used in manufactured dairy products has declined substantially. Most of the decline is accounted for by cheese and butter. Output of nonfat dry milk solids also is smaller. Compared with a year ago, production rates for butter cheese and nonfat dry milk solids during January-March were down 19, 8, and 38 percent, respectively. The output of roller-process nonfat dry milk solids was a record low. The other principal manufactured dairy products registered gains over last year during the first two months of the year. For 1951 as a whole, per capita consumption of butter will be less than the 10.8 pounds of 1950; ice cream consumption probably will be a little greater than in 1950 and other manufactured dairy products will be about the same as last year.

POULTRY AND EGGS

April prices of both eggs and poultry have continued near or above the levels of the preceding quarter. In the case of eggs, the price has been high enough to substantially limit movement into storage. This coupled with the fact that chicks already hatched will not produce many eggs before November, indicates a considerable seasonal reduction in egg supply this fall. Starting about August and continuing for some months, egg supplies available for consumption will fall short of last year.

Egg consumption per person to date in 1951 has exceeded that of a year ago. Despite increases from last year in total civilian supply, made possible by the end of price support diversions and the small storage movement so far, prices have been sharply higher than last year. In mid-April, egg prices to farmers averaged 43 cents per dozen, 94 percent of parity. This was 0.6 cents per dozen lower than in mid-March, but 12 cents above the level of April 1950.

In past years, April has been the month of peak egg production. While adverse weather may have delayed this year's peak, it is not likely that the monthly rate of production at any future time this year will exceed the rate at the time this report is released.

Offsetting price increases and decreases from mid-March to mid-April resulted in little change in the average farm price for chickens. The April 15 price was 29.3 cents per pound, 93 percent of parity. Among the changes were (a) an increase in the price of heavy fowl, and (b) mixed changes, some upward and some downward, in areas specializing in broilers.

Egg and poultry prices are currently subject to the same price control regulations affecting other farm commodities for which the prices are less than parity. Under present regulations if prices of these commodities should reach parity the Office of Price Stabilization will act to freeze them at prices reflecting the highest levels of the 5 weeks preceding the action.

FATS AND OILS

The index of wholesale prices of the 26 major fats and oils excluding butter, has declined somewhat in the last 2 months. Most of this reflected the rollbacks imposed by specific price ceilings for the major edible vegetable oils and inedible tallow and greases.

During the rest of the crop year, supplies of edible vegetable oils and finished products probably will be sufficient to meet demand at prices close to ceiling levels, unless exports increase substantially.

Although stocks of edible vegetable oils and oilseeds are believed to be somewhat smaller this spring than last, stocks of finished fat and oil products probably are much larger. The high rate of disappearance of edible fats and oils per capita in 1950 indicates that substantial unreported inventories of shortening and salad and cooking oils were accumulated. Since January, however, users apparently have been drawing upon these stocks. Exports of edible vegetable oils, including the oil equivalent of oilseeds, in October-February 1950-51 were about the same as a year earlier.

In contrast to the situation for edible vegetable oils, stocks of lard on March 1 were somewhat larger than on the same date of 1950. From October through March, lard production was moderately larger and exports sharply lower than in the same period of 1949-50. During the last half of the marketing year, lard production is expected to be about 5-10 percent above a year earlier. Prices of lard have declined sharply since early March and, unless there is a sharp increase in exports, probably will continue throughout the rest of the marketing year at a lower level than in early 1951.

Production of fats and oils in the year beginning October, 1951 (including the oil equivalent of exports of oilseeds) is likely to total larger than in the previous year. If farmers' intentions reported about March 1 and the U. S. Department of Agriculture's production guide for cotton are realized, the acreage planted to the 4 major oilseed crops would exceed last year by nearly 9 million acres, or about 20 percent. A cotton acreage equal to the guide would more than offset comparatively small decreases in acreages of the other oil-crops. However, on the average about 2.5 times as much oil is obtained per acre from soybeans as from cottonseed. If the above acreage is realized and average weather conditions prevail this summer, production of edible vegetable oils in 1951-52 may be about 5 percent larger than in the preceding year.

Increased production of lard, tallow and greases also is probable. Because of the growth in the nation's cattle population since 1948 and the larger pig crops in prospect this year, more hogs and cattle are likely to be slaughtered in 1951-52. On the other hand, butter production is expected to decline, reflecting mainly a diversion of milk to whole milk products.

CORN AND OTHER FEED

Indications in early March point to a moderately smaller supply of feed grains in 1951-52 than the big supplies of the past two years. On the

other hand, feed requirements are increasing and demand is expected to continue strong. The total production of feed grains in 1951, assuming 1945-49 average yields by States on the March 1 prospective acreages, would total about 118 million tons, 6 percent smaller than in 1950. Although this would be nearly a fifth larger than in the period just before World War II, it would fall short of total feed grain requirements, currently estimated at about 130 million tons for 1950-51. These early indications point to a supply of feed concentrates per animal unit nearly 10 percent less than last year and a tighter feed situation than in the past two years.

Demand for feed is currently much stronger than a year ago, reflecting higher prices of livestock and livestock products, as well as some increase in numbers of livestock on farms. In mid-April prices of feed grains averaged about one-fourth higher than a year ago, and were above the price supports. However, they remained below parity, the legal minimum at which price ceilings can be imposed under present law. Prices of the by-product feeds are also higher than a year ago, but increases in most of these have been less pronounced than for the feed grains. Demand for feed is expected to continue strong in the 1951-52 feeding year. Feed prices will probably continue above the price support level, but prospects for big feed grain crops this year would delay the time at which prices would reach parity.

Stocks of corn, oats, and barley in all positions on April 1 totaled about 66 million tons, 3 percent smaller than the record stocks on that date last year, but were much larger than the 1943-47 average. Stocks of corn in all positions were nearly 7 percent smaller than a year earlier, while larger stocks of oats and barley remain on hand from the big 1950 crops. Based on the April 1 stocks, combined disappearance of corn, oats, and barley during October-March was slightly smaller than during the same period of 1949-50. While this was at least partly offset by heavier feeding of sorghum grains and some other feeds, the total quantity of feed concentrates fed to livestock apparently has been little, if any, heavier so far this feed season than in 1949-50, in spite of the poor quality of the 1950 corn crop in some areas. Present indications are that the total carryover of feed grains into 1951-52 will be around 4 or 5 million tons smaller than the 31 million tons carried over into 1950-51. The carry-over of corn next October 1 probably will total around 650 to 700 million bushels, or about 200 million bushels smaller than in 1950. The carry-over of oats and barley on July 1 this year may be close to the record for that date in 1949.

WHEAT

Prices received by farmers on April 15 for wheat averaged $2.14 per bushel, 2 cents above a month earlier. Prices in January and February were sufficiently above the loan to cause growers to redeem a considerable quantity and thereby reduce deliveries to CCC. Prices to growers in mid-April were 26 cents below parity -- the legal minimum ceiling level of $2.40.

If the 1951 crop is about as large as now anticipated, prices are expected to fall below the loan rate after harvest but probably will average close to it for the 1951-52 marketing year as a whole. The National average support price for the 1951 crop will be 90 percent of the parity price at the beginning of the 1951-52 marketing year on July 1, but not less than $1.99 a bushel, the support level for the 1950 crop. If the parity price July 1 should be the same as on April 15, the support price would be $2.16 per bushel. Although the support level will be higher than last season, no allowance for farm storage or warehouse storage charges (expected to average about 8 cents for warehouse stored wheat) will be available to producers who deliver loan wheat from the 1951 crop to CCC.

The eighth consecutive billion bushel wheat crop is in prospect for the United States in 1951 if growing conditions from now through harvest are at least average. However, present indications are that this year's crop will be smaller than the quantity of wheat that will be used domestically and exported during the 12 months beginning next July 1. Thus, carry-over stocks on July 1, 1952 will be a little smaller than the 1951 level, but they will still be well above average.

A winter wheat crop of 727 million bushels was indicated as of April 1. The first estimate of production of spring wheat will be released June 11. However, if yields per seeded acre should equal the 1945-49 average on the acreage indicated by farmers' March intentions, about 309 million bushels of spring wheat would be produced. This would give a total wheat crop of 1,036 million bushels. Since the carry-over July 1, 1951 is expected to be about 410 million bushels, total supplies would amount to about 1,446 million bushels.

Domestic disappearance of United States wheat for 1951-52 is estimated at 730 million bushels. This would leave 716 million for exports in 1951-52 and for carry-over July 1, 1952. If exports should total as much as 350 million bushels, about 366 million would remain for carry-over July 1, 1952, compared with about 410 million for 1951, 423 million for 1950 and the prewar average of 235 million bushels. Exports of 350 million bushels would be somewhat higher than in 1950-51 but substantially below the record 503 million bushels in 1948-49. The actual size of the exports will depend upon the way the crops turn out in both exporting and importing countries, the extent of stockpiling, if any, by importing countries, and the size of the United States foreign aid programs.

Stocks of wheat in all positions on April 1 totaled 709 million bushels, compared with 665 million bushels a year earlier and 585 million bushels two years ago. On the basis of the July-March disappearance, total disappearance for the marketing year is expected to be about 1,040 million bushels, of which about 710 million bushels are for domestic use and about 330 million bushels are for export.

FRUIT

With demand stronger in the second half of 1951 than in the second half of 1950, grower prices for most 1951-crop deciduous fruits may average somewhat higher than 1950 prices. This assumes that the 1951 deciduous crop will be only slightly larger than the small 1950 crop.

During May and June, grower prices for most fresh deciduous and citrus fruits probably will continue somewhat lower than prices in these months of 1950, mainly because of larger supplies. On March 31, 1951, cold-storage holdings of apples were about 82 percent larger than stocks a year earlier, while holdings of pears were about the same. Because of continuing large stocks, grower prices for apples, which have been downward since January, may decline further in May and possibly in June as the season for the 1950 crop nears the end. But prices for pears probably will not change much.

Prospects on April 1 were for a 1951 peach crop in the 10 Southern States considerably larger than the short 1950 crop, which was reduced by severe April freezes. Conditions on April 1 pointed to another large crop of strawberries in 1951. The early spring crop, which was harvested mostly in April, was about 11 percent larger than the 1950 crop. The mid-spring crop, grown on about two-fifths of the 1951 acreage and to be harvested mostly in May, is estimated to be 24 percent larger than the 1950 crop. Late-spring acreage is about 16 percent larger than comparable 1950 acreage. Prices for strawberries on the New York City and Chicago wholesale markets in mid-April were about the same as corresponding prices in 1950.

Supplies of 1950-51 crop citrus fruits remaining to be marketed after mid-April were moderately larger than comparable supplies a year earlier. During March and early April movement of Florida oranges to concentrators of frozen juice declined, awaiting increase in the sugar content of the Valencia crop. With increased movement to concentrators in May and continued heavy movement to canners and to fresh markets, grower and terminal market prices may increase a little both for Florida and California oranges. Not much change seems likely in prices for grapefruit.

In Florida, the canned pack of citrus sections and salad through April 14 this season was about 43 percent larger than the pack in the corresponding part of the 1949-50 season. Output of canned citrus juices was about 25 percent larger, and that of frozen concentrated orange juice was about 3 percent larger. Total packer and wholesaler stocks of canned apricots, peaches, pears, cherries, plums and prunes, grapefruit segments, applesauce, pineapple, and fruit cocktail were about 5 percent smaller on April 1, 1951 than a year earlier. On April 1, 1951 packers' stocks of canned apples and applesauce from the record 1950-51 pack were more than double stocks on that date in 1950. Total cold-storage holdings of frozen fruits and fruit juices on March 31, 1951 were 54 percent larger than stocks a year earlier. Among important frozen fruits, holdings of apples, cherries, grapes, and strawberries were each considerably larger.

COMMERCIAL TRUCK CROPS

For Fresh Market

Although prices for fresh vegetables in general will decline during late spring and early summer as usual for this season of the year, they are expected to average somewhat higher than the relatively low prices of a year earlier. Demand continues strong under the stimulus of high incomes and prospect of continued full employment.

Supplies of fresh vegetables during May and early June probably will be smaller than a year earlier, based on early reports covering crops which last spring accounted for 60 percent of the total spring production. Indications are that production of these crops will be 12 percent less than last year, though 6 percent above the 10-year average. Reducations are indicated for most crops, though sharpest reductions in total tonnage are shown by early spring cabbage, early spring onions; carrots and celery. Of the crops reported to date, production is expected to be larger than last spring only for lettuce, cucumbers and spinach. Prices for the last 3 crops probably will be no higher, and perhaps somewhat lower, than the moderate prices received for these crops in the early summer of 1950.

Planting intention reports covering cabbage, onions, and watermelons for summer harvest indicate very little change from last year's acreage. A slight reduction in acreage of early fall Domestic type cabbage is planned and a moderate reduction in acreage of early fall Danish type.

For Commercial Processing

Preliminary indications are that the plans of commercial canners and freezers are substantially in line with the acreage Guides suggested by the Department early in February. Interpretation of early reports from the commercial processors indicates their intentions to plant or contract for planting about 11 percent more acres in snap beans, 11 percent more in green peas, 35 percent more in sweet corn, and 32 percent more in both cucumbers and tomatoes.

Production of spinach for processing already realized in the winter-harvest areas of Texas and California has topped last year's in the same areas by 43 percent. Production in these areas generally accounts for more than half the total production for commercial processing.

If later acreage and production reports, on these and other crops, prove to be as favorable as these early indications, production probably will be adequate to meet the stronger civilian and enlarged military demands anticipated, at only moderatly higher price levels and in line with prices of other farm products.

POTATOES AND SWEETPOTATOES

New potatoes from commercial early producing areas will be in considerably shorter supply this May and June than a year earlier since indicated acreages intended for late spring and summer harvest are considerably smaller than a year earlier. Prices for potatoes during this period are expected to continue generally higher than a year earlier, in spite of the lack of price-support.

March intentions of farmers to plant indicated the possibility of a 15 percent reduction in total potato acreage compared with the year 1950. Yields considered most likely on acreages indicated by the March intentions would result in a surplus again this year but much smaller than for the 1950 crop. Because of the likelihood of a surplus if the intended acreage is planted farmers may plant less than they intended last March.

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Sweetpotato prices for the rest of the 1950 crop marketing year are expected to reflect the strong consumer demand and moderate supplies remaining. Reports indicate that some freeze injury to stocks in storage has recently become evident, so that supplies are not as large as formerly believed.

If farmers carry out the drastic cut in sweetpotato acreage indicated by their March intentions, supplies of 1951 crop sweetpotatoes this late-summer and fall are likely to be much smaller than those of the 1950 crop, and prices substantially higher.

DRY BEANS AND PEAS

The outlook for dry edible beans and dry field peas hasn't changed in the last month. March intentions of farmers to plant indicated the likelihood of national acreages substantially in line with the national guides. If the intentions are followed, there may be more acreage than was suggested as desirable in Baby Limas and Pintos, and somewhat smaller acreage in Navy or Pea Beans. With yields equal to recent 5 year averages and acreages such as indicated by the intentions-to-plant report, the supply of dry beans and peas would approximately meet the demand anticipated, at prices probably somewhat higher than those received for any of the three preceding crops.

In the meantime, total supplies of dry beans and peas are fully adequate, though supplies by types and classes of beans are uneven. Prices received by farmers currently are considerably higher than a year earlier for Standard Lima, Great Northern, and Pea beans, and for dry peas, and relatively weaker for Baby Lima and Pinto beans.

COTTON

Cotton consumption this season through March was running about one-fifth above the same period a year ago. Daily rate of mill consumption during March, at 45.6 thousand bales was the highest since May 1942 and a little above the previous month.

Although the value of manufacturers inventories of cotton textiles rose slightly from February to March, higher prices for cotton goods accounted for most of this increase. The value of these inventories in February 1951 was 74 and 50 percent higher than February and June 1950, respectively. At the end of February, department store stocks of piece goods and household textiles were valued at 25 percent more than on the same date in 1950 and were 9 percent more than at the end of January.

Despite the rise in mill consumption of cotton spindle activity was lower, indicating an increase in the proportion of production composed of heavier fabrics, such as duck. From August through March, cotton consumption totaled 7.3 million bales, 21 percent more than for the same period during 1949-50 and the highest for this portion of the season since the 1942-43 crop year.

Exports of cotton through February totaled 2.6 million bales. Of this amount, 247 thousand bales have been exported to Canada (not restricted by allocations) and 2.2 million were to countries covered by export allocations. As of April 30, export licenses had been issued for all but 330 thousand bales of allocated cotton.

The average ten spot market price for Middling 15/16 inch remained at the ceiling of 45.14 cents per pound from March 8, the date on which the spot markets started quoting prices under present ceilings, to April 23. The old-crop futures price for May 1951 has closed at the ceiling for futures contracts of 45.39 cents per pound for the same period. However, new-crop futures contracts have been heavily discounted. On April 23, October 1951 futures were selling for 39.77 cents, 5.62 cents below the ceiling.

The mill margins for March were somewhat narrower than the margins for January. No margins were computed for February because the spot markets did not quote prices during the period that the futures markets were closed. This narrowing of margins was brought about by an increase of almost a cent a pound in the price of the cotton used in manufacturing the fabric. Although the price of the cloth also rose, it did not increase as much as the price of the cotton.

On April 9, extra-long staple cotton of foreign growths was exempted from price control. Most of this cotton is imported into the U. S. from Egypt and Peru. The domestic cotton which competes with these growths is American-Egyptian which is not under price control.

Planting of the 1951-52 crop is underway in many sections of the cotton belt. Generally, favorable weather has been reported in the South Atlantic and East Gulf Coastal plains. Drought delayed preparation of land and planting in the Southern and Coastal bend sections of Texas. Cold wet soils and moderate to heavy rains have retarded soil preparation, planting and germination in the middle and Eastern portions of the main cotton belt.

WOOL

The steady rise in wool prices at Boston and in foreign markets that began in late 1949 was halted after Easter and by mid-April prices had dropped 10 to 25 percent. The April decline began in Australian and South African markets after the U. S. reduced its buying. Prices of crossbred wool fell somewhat more than those for merino wool.

Major factors in the rise which pushed wool prices to a new record in each month from September 1950 through March were large military requirements, a strong civilian demand, and the depletion of the world surplus stocks which accumulated during the war in some countries. In foreign markets during March, prices of merino wool ranged from 2-1/4 to 2-1/2 times higher than last June with crossbred wools up even more.

Prices received by U. S. farmers declined 6 cents per pound from mid-March to mid-April after having risen continuously from November 1949 through March 1951. Producers' prices for 1951 are expected to continue considerably higher than last year. A large part of the 1951 clip, particularly of the territory and Texas wools, already has been contracted for at prices substantially higher than those received for the 1950 clip

The trend in wool prices during the next few months is uncertain. It will depend largely on the extent to which U. S. military ordering for the current fiscal year has been completed, the degree to which mills have covered military contracts with purchases, and the size of mill stocks abroad.

Because of the greater rise in wool prices than in prices of synthetic materials, the competitive position of wool relative to that of the synthetic fibers is expected to be less favorable than last year. The use of synthetics, reclaimed wool, and other fibers in place of new wool may increase further.

Inventories of civilian wool goods in manufacturing and distribution channels have been built up and are now substantially higher than a year ago.

These factors, together with consumer resistance to higher retail prices of wool goods, suggest that mills probably will process somewhat less raw wool into civilian goods this year than last, even though consumer demand is expected to continue strong. The production of military items, which accounted for only a very small percentage of total mill consumption of apparel wool last year, will be substantial in 1951. Government programs and controls could be important factors in determing the quantity of apparel wool used for civilian goods during the remainder of the current year as well as total mill consumption.

Production of shorn and pulled wool in the United States this year probably will amount to about 260 million pounds, grease basis, or about 113 million pounds scoured basis. Total production in 1950 amounted to 252.5 million pounds, grease basis, or 110 million pounds scoured basis. The forecast for 1951 reflects an increase of 4 percent in the number of stock sheep on farms on January 1 over a year earlier.

Ceiling Price Regulation No. 18, issued by the Office of Price Stabilization on April 5, allows manufacturers of wool yarns and fabrics to add to their pre-Korean prices dollars-and-cents increases in the cost of manufacturing materials and in labor costs up to December 31, 1950. Deliveries under military contracts entered into prior to May 1 and under subcontracts entered into prior to August 1 have been exempted from price controls.

TOBACCO

The demand for 1951 flue-cured and Burley tobacco crops is expected to be strong. Adequate supplies of these types for the 1951-52 marketing year are in prospect if yields per acre this year approximate the averages of the most recent few years. Acreage allotments are larger than last year and the March 1 indicated acreages of flue-cured and Burley were up 13 and 9 percent, respectively. Flue-cured and Burley are the principal kinds of tobacco used in cigarettes. During the first quarter of 1951, United States cigarette consumption at about 93 billion was running 7 percent above that of January-March 1950. In addition, removals, of tax-free cigarettes for overseas forces are well above those of a year ago. Total cigarette output in 1951 is likely to be above last year's record.

Annual production of Maryland tobacco is far less than flue-cured and Burley and most Maryland tobacco also goes into cigarettes. In late April ECA authorized the procurement of 2.4 million pounds of Maryland Tobacco by France. Auctions for the 1950 crop of this type will begin May 8 and continue through the summer. The 1950 crop plus the January 1, 1951, stocks in the hands of dealers and manufacturers totaled 93 million pounds--7 percent larger than a year earlier. The price support level for the 1950 Maryland crop is 48.6 cents per pound compared with 41.8 cents last marketing season. The average price received by growers last season was 48.5 cents. As of March 1, Maryland tobacco from the 1948 and 1949 crops still in Government loan stocks totaled about 4-1/4 million pounds (packed weight).

On April 13, the Department of Agriculture announced the minimum support levels for 1951 crop tobacco. The 1951 minimum levels compared with the 1950 loan levels and preliminary 1950 season averages for some types are shown below. The actual support level for 1951 crop tobacco will be the higher of either the minimum shown below or the loan level computed as of the beginning of the marketing year (July 1 for flue-cured and October 1 for all other types). The parity index continued its rise between March and April and it is probable that the actual supports will be higher than the minimum levels specified below. All of the announced minimum support levels exceed the support levels in effect last season.

	1950 Loan level	1950 Preliminary season average	1951 Minimum loan level
	Ct. per lb.	Ct. per lb.	Ct. per lb.
Flue-cured, types 11-14	45.0	54.7	50.1
Burley, type 31	45.7	48.9	49.4
Fire-cured, types 21-23	34.3	30.3	37.0
Dark air-cured, types 35-36	30.5	23.2	32.9
Va. sun-cured, type 37	30.5	33.9	32.9
Ohio cigar filler, types 42-44	23.6	Not	26.1
Conn. Valley Broadleaf binder, type 51	49.0	available	54.9
Conn. Valley Havana Seed binder, type 52	49.5	for	53.9
N. Y. and Pa. Havana Seed binder, type 53	25.5	this	27.8
So. Wis. binder, type 54	24.1		27.0
No. Wis. binder, type 55	30.9	release	33.3

The support level for Puerto Rican tobacco, type 46, will be announced later. Growers of Maryland tobacco, type 32, and Pennsylvania Seedleaf, type 41, disapproved quotas on their 1951 crops, therefore, no price support will be available for these types.

Tax-paid withdrawals of manufactured tobacco (smoking and chewing) during the first quarter of 1951 totaled 46 million pounds--6 percent above the first quarter of 1950. A similar comparison indicates that snuff withdrawals at 10.3 million pounds were up 7 percent. Tax-paid withdrawals of large cigars during January-March 1951 totaled 1,349 million--4 percent above the comparable period in 1950. In general, supplies of tobacco for the manufacture of cigars, chewing, smoking, and snuff are expected to be ample in the year ahead.

An active export demand for United States tobacco, especially flue-cured is expected in 1951. The 1951 exports of all unmanufactured tobacco is likely to exceed the 1950 total of 476 million pounds and be close to or above the 1949 total of 498 million pounds. The improved gold and dollar position of foreign countries, the low stocks of United States tobacco abroad, and the unavailability of sufficient supplies elsewhere are important factors that will favor United States tobacco exports.

ECONOMIC TRENDS AFFECTING AGRICULTURE

Annual Data

Item	Unit or base	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949
Industrial production 1/																						
Total	1935-39=100	110	91	75	58	69	75	87	103	113	89	109	125	162	199	239	235	203	170	187	192	176
All manufactures	1935-39=100	110	90	74	57	68	74	87	104	113	87	109	126	168	212	258	252	214	177	194	198	183
Durable goods	1935-39=100	132	98	67	41	54	65	83	108	122	78	109	139	201	279	360	353	274	192	220	225	202
Nondurable goods	1935-39=100	93	84	79	70	79	81	90	100	106	95	109	115	142	158	176	171	166	165	172	177	168
Minerals	1935-39=100	107	93	80	67	76	80	86	99	112	97	106	117	125	129	132	140	137	134	149	155	135
Construction activity 1/																						
Contracts total	1935-39=100	204	160	110	49	44	56	64	96	103	111	125	141	212	289	118	71	118	267	274	331	366
Contracts, residential	1935-39=100	213	122	91	32	27	29	51	91	100	110	147	176	218	201	98	39	64	350	348	397	471
Wholesale prices 2/																						
All commodities	1926=100	95	86	73	65	66	75	80	81	86	79	77	79	87	99	103	104	106	121	152	165	155
All commodities except farm and food	1926=100	92	85	75	70	71	78	78	80	85	82	81	83	89	96	97	98	100	110	135	151	147
Farm products	1926=100	105	88	65	48	51	65	79	81	86	68	65	68	82	106	123	124	128	149	181	188	166
Food	1926=100	100	90	75	61	60	70	84	82	86	74	70	71	83	100	107	105	106	131	169	179	161
Prices received and paid by farmers 3/																						
Prices received, all products	1910-14=100	148	125	87	65	70	90	109	114	122	97	95	100	123	158	192	196	206	234	275	285	249
Prices paid, interest, taxes, and wage rates	1910-14=100	160	151	130	112	109	120	124	124	131	124	123	124	132	151	170	182	189	207	239	259	250
Parity ratio	1910-14=100	92	83	67	58	64	75	88	92	93	78	77	81	93	105	113	108	109	113	115	110	100
Consumer's price 2/																						
Total	1935-39=100	122	119	109	98	92	96	98	99	103	101	99	100	105	117	124	126	129	140	160	172	170
Food	1935-39=100	132	126	104	86	84	94	100	101	105	98	95	97	106	124	138	136	139	160	194	210	202
Nonfood	1935-39=100	118	116	111	103	97	97	97	98	101	102	102	102	105	113	116	120	123	128	140	149	151
Income																						
Nonagricultural payments 4/	Bil. dollars	76.8	70.7	60.1	46.2	43.0	49.5	53.4	62.8	66.5	62.1	66.3	71.5	86.1	109.4	135.2	150.5	155.7	158.8	170.8	187.0	188.2
Income of industrial workers 3/	1935-39=100	133	109	84	58	61	76	86	100	117	91	106	119	167	239	323	338	292	277	330	356	327
Production worker payrolls 2/	1935-39=100	128	103	78	54	58	74	86	99	118	91	106	121	176	257	352	366	312	289	348	374	346
Weekly earnings of factory workers 2/																						
All manufacturing	Dollars	---	---	---	---	---	---	---	---	---	---	23.86	25.20	29.58	36.65	43.14	46.08	44.39	43.74	49.97	54.14	54.92
Durable goods	Dollars	---	---	---	---	---	---	---	---	---	---	26.50	28.44	34.04	42.73	49.30	52.07	49.05	46.49	52.46	57.11	58.03
Nondurable goods	Dollars	---	---	---	---	---	---	---	---	---	---	21.78	22.27	24.92	29.13	34.12	37.12	38.29	41.14	46.96	50.61	51.41
Employment 5/																						
Total civilian	Million	47.6	45.5	42.4	39.0	38.8	40.9	42.3	44.4	46.3	44.2	45.8	47.5	50.4	53.8	54.5	54.0	52.8	55.2	58.0	59.4	58.7
Nonagricultural	Million	37.2	35.1	32.2	28.8	28.7	31.0	32.2	34.4	36.5	34.6	36.2	38.0	41.2	44.5	45.4	45.0	44.2	46.9	49.8	51.4	50.7
Agricultural	Million	10.4	10.3	10.3	10.2	10.1	9.9	10.1	10.0	9.8	9.7	9.6	9.5	9.1	9.2	9.1	9.0	8.6	8.3	8.3	8.0	8.0
Government finance (Federal) 6/																						
Income, cash operating	Mil. dollars	---	---	---	---	---	---	---	---	---	---	---	---	---	---	3,160	4,016	4,134	3,470	3,693	3,748	3,448
Outgo, cash operating	Mil. dollars	---	---	---	---	---	---	---	---	---	---	---	---	---	---	7,416	7,901	7,178	3,450	3,218	3,075	3,554
Net cash operating income or outgo	Mil. dollars	---	---	---	---	---	---	---	---	---	---	---	---	---	---	-4,256	-3,885	-3,044	+20	+475	+673	-106

Source:
1/ Federal Reserve Board; indexes of construction converted to 1935-39 base.
2/ U. S. Department of Labor, Bureau of Labor Statistics, Production worker payrolls converted to 1935-39 base.
3/ U. S. Department of Agriculture, Bureau of Agricultural Economics, Revised series. To convert prices received and prices paid, interest, taxes and wage rates to the 1935-39 base, multiply by .93110 and .79872 respectively.
4/ U. S. Department of Commerce.
5/ U. S. Department of Labor for years 1929-39. From 1940 to date Bureau of the Census.
6/ U. S. Department of Treasury. Figures are on average monthly basis.

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